GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2707
ANSWERED ON:17.12.2008
GUIDELINES FOR LOAN AND GRANTS IN AID FOR VARIOUS SCHEMES
Barad Shri Jashubhai Dhanabhai

Will the Minister of PLANNING be pleased to state:

(a) whether the Union Government has issued guidelines for loans, financial assistance and grants-in-aid for various projects/schemes in special and non-special category States;

(b) if so, the details thereof;

(c) whether some States have expressed dissatisfaction in this regard;

(d) if so, the details thereof; and

(e) the corrective measures taken by the Union Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V. NARAYANASAMY)

(a) and (b): Central assistance for various projects/schemes in special and non-special category states is provided as per the guidelines of the respective Plan schemes. Normal Central Assistance is allocated among the States by the Planning Commission in accordance with the Gadgil-Mukherjee Formula. For non-special category states, the grant : loan ratio is 30:70, whereas for special category states, the grant :loan ratio is 90:10.Following the recommendation of the Twelfth Finance Commission, States are provided only the grant portion of the Normal Central Assistance and loan portion has been discontinued since 2005-06.

(c) : No.

(d) and (e) : Does not arise.